



## DEPARTMENT OF COMMERCE

### International Trade Administration

[C-274-807]

#### **Melamine from Trinidad and Tobago: Final Affirmative Countervailing Duty Determination**

**AGENCY:** Enforcement and Compliance, International Trade Administration, Commerce.

**SUMMARY:** The Department of Commerce (the Department) determines that countervailable subsidies are being provided to a producer and exporter of melamine from Trinidad and Tobago. For more information on the estimated subsidy rate, *see* the “Final Determination” section of this notice.

**DATES:** *Effective:* [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER].

**FOR FURTHER INFORMATION CONTACT:** Kristen Johnson or Patricia Tran, Office III, AD/CVD Operations, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4793, or (202) 482-1503, respectively.

#### **SUPPLEMENTARY INFORMATION:**

##### Background

Petitioner in this investigation is Cornerstone Chemical Company. In addition to the Government of the Republic of Trinidad and Tobago, the mandatory respondent is Methanol Holdings (Trinidad) Ltd. (MHTL). The period of investigation for which we measured subsidies is January 1, 2013, through December 31, 2013.

## Case History

The events that occurred in this investigation since the Department published the *Preliminary Determination* on April 20, 2015,<sup>1</sup> are discussed in the Final Decision Memorandum, which is hereby adopted by this notice.<sup>2</sup> The Final Decision Memorandum is a public document and is on file electronically *via* Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <http://access.trade.gov> and is available to all parties in the Central Records Unit, room B8024 of the main Department of Commerce building. In addition, a complete version of the Final Decision Memorandum can be accessed directly on the internet at <http://enforcement.trade.gov/frn/index.html>. The signed Final Decision Memorandum and the electronic version of the Final Decision Memorandum are identical in content.

## Scope of the Investigation

The product covered by this investigation is melamine (Chemical Abstracts Service (CAS) registry number 108-78-01, molecular formula  $C_3H_6N_6$ ).<sup>3</sup> Melamine is a crystalline powder or granule typically (but not exclusively) used to manufacture melamine formaldehyde resins. All melamine is covered by the scope of this investigation irrespective of purity, particle size, or physical form. Melamine that has been blended with other products is included within this scope when such blends include constituent parts that have been intermingled, but that have not been chemically reacted with each other to produce a different product. For such blends,

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<sup>1</sup> See *Melamine from Trinidad and Tobago: Preliminary Affirmative Countervailing Duty Determination and Alignment of Final Determination With Final Antidumping Determination*, 80 FR 21708 (April 20, 2015) (*Preliminary Determination*).

<sup>2</sup> See Memorandum from Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, to Paul Piquado, Assistant Secretary for Enforcement and Compliance regarding "Issues and Decision Memorandum for the Final Affirmative Determination in the Countervailing Duty Investigation of Melamine from Trinidad and Tobago," dated concurrently with this notice (Final Decision Memorandum).

<sup>3</sup> Melamine is also known as 2,4,6-triamino-s-triazine; 1,3,5-Triazine-2,4,6-triamine; Cyanurotriamide; Cyanurotriamine; Cyanuramide; and by various brand names.

only the melamine component of the mixture is covered by the scope of this investigation. Melamine that is otherwise subject to this investigation is not excluded when commingled with melamine from sources not subject to this investigation. Only the subject component of such commingled products is covered by the scope of this investigation.

The subject merchandise is provided for in subheading 2933.61.0000 of the Harmonized Tariff Schedule of the United States (HTSUS). Although the HTSUS subheading and CAS registry number are provided for convenience and customs purposes, the written description of the scope is dispositive.

#### Analysis of Subsidy Programs and Comments Received

The Department has conducted this countervailing duty (CVD) investigation in accordance with section 701 of the Tariff Act of 1930, as amended (the Act). The subsidy programs under investigation, the changes we made since the *Preliminary Determination*, the issues raised in the case and rebuttal briefs filed by interested parties, and a full description of the methodology underlying our conclusions are discussed in the Final Decision Memorandum. A list of subsidy programs and the issues that parties raised is attached to this notice as an appendix.

#### Final Determination

In accordance with section 705(c)(1)(B)(i) of the Act, we calculated a subsidy rate for MHTL, the only company subject to individual examination in this investigation. We determine that MHTL's total estimated net countervailable subsidy rate is 6.79 percent *ad valorem*.<sup>4</sup>

Section 705(c)(5)(A)(i) of the Act states that, for companies not individually investigated, we will determine an "all others" rate equal to the weighted-average countervailable subsidy

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<sup>4</sup> We intend to disclose to parties the calculations performed in this proceeding within five days of the public announcement of this notice in accordance with 19 CFR 351.224(b).

rates established for exporters and producers individually investigated, excluding any zero and *de minimis* countervailable subsidy rates, and any rates determined entirely under section 776 of the Act. Where the rates for investigated companies are zero or *de minimis*, or based entirely on facts otherwise available, section 705(c)(5)(A)(ii) of the Act instructs the Department to establish an “all others” rate using “any reasonable method.” As MHTL is the only company subject to individual examination in this investigation and its rate is not zero, *de minimis*, or based on facts otherwise available, we have assigned the 6.79 percent *ad valorem* rate calculated for MHTL as the “all others” rate in this investigation.

As a result of our *Preliminary Determination* and pursuant to section 703(d) of the Act, we instructed U.S. Customs and Border Protection (CBP) to collect cash deposits and suspend liquidation of all entries of subject merchandise from Trinidad and Tobago, which were entered or withdrawn from warehouse, for consumption on or after April 20, 2015, the date of the publication of the *Preliminary Determination*. In accordance with section 703(d) of the Act, we later issued instructions to CBP to discontinue the collection of cash deposits and suspension of liquidation for CVD purposes for subject merchandise entered, or withdrawn from warehouse, on or after August 18, 2015, but to continue the collection of cash deposits and suspension of liquidation of all entries from April 20, 2015, through August 17, 2015.

If the U.S. International Trade Commission (ITC) issues a final affirmative injury determination, we will issue a CVD order and reinstate the suspension of liquidation under section 706(a) of the Act and will require a cash deposit of estimated duties for such entries of merchandise in the amounts indicated above. However, if the ITC determines that material injury, or threat of material injury, does not exist, this proceeding will be terminated and all

estimated duties deposited or securities posted as a result of the suspension of liquidation will be refunded or canceled.

#### ITC Notification

In accordance with section 705(d) of the Act, we will notify the ITC of our determination. In addition, we are making available to the ITC all non-privileged and non-proprietary information related to this investigation. We will allow the ITC access to all privileged and business proprietary information in our files, provided the ITC confirms that it will not disclose such information, either publicly or under an administrative protective order (APO), without the written consent of the Assistant Secretary for Enforcement and Compliance.

#### Return or Destruction of Proprietary Information

In the event that the ITC issues a final negative injury determination, this notice will serve as the only reminder to parties subject to an APO of their responsibility concerning the destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of the return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and terms of an APO is a violation that is subject to sanction.

This determination is published pursuant to sections 705(d) and 777(i) of the Act.

Dated: October 30, 2015.

**Paul Piquado,**  
*Assistant Secretary*  
*for Enforcement and Compliance.*

**Appendix**  
**List of Topics Discussed in the Final Decision Memorandum**

- 1. Summary**
- 2. Background**
  - A. Since Publication of the *Preliminary Determination*
  - B. Comments
- 3. Scope of the Investigation**
- 4. Subsidies Valuation**
  - A. Period of Investigation
  - B. Allocation Period
  - C. Attribution of Subsidies
  - D. Denominators
  - E. Discount Rates
- 5. Analysis of Programs**
  - A. Programs Determined to Be Countervailable
    1. Fiscal Incentives Act: Tax Programs
      - a. Corporate Tax Exemption
      - b. Customs Duties: Import Duties and VAT Exemption
    2. Provision of Natural Gas for Less Than Adequate Remuneration (LTAR)
  - B. Program Determined Not to Be Countervailable
    1. Provision of Electricity for LTAR
  - C. Program Determined to Not Confer a Subsidy to MHTL
    1. Bailout Program
  - D. Programs Determined Not To Be Used
    1. Certain Income Taxes under the Fiscal Incentives Order
    2. Land and Building Taxes
- 6. Analysis of Comments**

Comment 1: Whether MHTL Was Cross-Owned with Colonial Life Insurance Company (Trinidad) Limited (CLICO)

Comment 2: Whether the CLICO Bailout Should Be Attributed to MHTL

Comment 3: Whether Any Bailout Subsidies Were Extinguished When CLICO Sold Its Shares in MHTL

Comment 4: Whether the Provision of Natural Gas for LTAR Is Countervailable

Comment 5: Whether the Import Duties and Value Added Tax (VAT) Exemption Is Countervailable

Comment 6: Whether the VAT Benefit Calculation Should Be Revised

Comment 7: Whether MHTL's Sales Denominator Should Be Revised
- 7. Recommendation**

**BILLING CODE 3510-DS-P**

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